

103^D CONGRESS
2^D SESSION

S. 2081

To amend the Internal Revenue Code of 1986 to treat recycling facilities as exempt facilities under the tax-exempt bond rules, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 5 (legislative day, MAY 2), 1994

Mr. GREGG introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to treat recycling facilities as exempt facilities under the tax-exempt bond rules, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Environmental Infra-
5 structure Financing Act of 1994”.

6 **SEC. 2. RECYCLING FACILITIES TREATED AS EXEMPT**
7 **FACILITIES.**

8 (a) TREATMENT AS EXEMPT FACILITY BOND.—Sub-
9 section (a) of section 142 of the Internal Revenue Code
10 of 1986 (defining exempt facility bond) is amended by

1 striking “or” at the end of paragraph (11), by striking
 2 the period at the end of paragraph (12) and inserting “,
 3 or”, and by adding at the end the following new para-
 4 graph:

5 “(13) qualified recycling facilities.”

6 (b) QUALIFIED RECYCLING FACILITIES DEFINED.—
 7 Section 142 of the Internal Revenue Code of 1986 (defin-
 8 ing exempt facility bond) is amended by adding at the end
 9 the following new subsection:

10 “(k) QUALIFIED RECYCLING FACILITIES.—

11 “(1) IN GENERAL.—For purposes of subsection

12 (a)(13), the term ‘qualified recycling facilities’
 13 means any facility used exclusively—

14 “(A) to sort and prepare municipal, indus-
 15 trial, and commercial refuse for recycling, or

16 “(B) in the recycling of qualified refuse.

17 “(2) QUALIFIED REFUSE.—For purposes of
 18 paragraph (1), the term ‘qualified refuse’ means—

19 “(A) yard waste,

20 “(B) food waste,

21 “(C) waste paper and paperboard,

22 “(D) plastic scrap,

23 “(E) rubber scrap,

24 “(F) ferrous and nonferrous scrap metal,

25 “(G) waste glass,

1 “(H) construction and demolition waste,
2 and

3 “(I) biosolids (sewage sludge).

4 “(3) RECYCLING.—For purposes of this sub-
5 section, the term ‘recycling’ includes either—

6 “(A) processing (including composting)
7 qualified refuse to a point at which such refuse
8 has commercial value; or

9 “(B) manufacturing products from quali-
10 fied refuse when such refuse constitutes at least
11 40 percent, by weight or volume, of the total
12 materials introduced into the manufacturing
13 process.

14 “(4) SPECIAL RULE.—Refuse shall not fail to
15 be treated as waste merely because such refuse has
16 a market value at the place such refuse is located
17 only by reason of the value of such refuse for
18 recycling.”

19 (c) EFFECTIVE DATE.—The amendments made by
20 this section shall apply to bonds issued after the date of
21 the enactment of this Act.

○